

This record is a partial extract of the original cable. The full text of the original cable is not available.

220430Z Jun 01

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ACTION EB-00

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|------|---------|---------|---------|---------|--------|---------|---------|
| INFO | LOG-00 | NP-00 | AID-00 | AMAD-00 | ACQ-00 | CIAE-00 | CTME-00 |
| | DODE-00 | ITCE-00 | DOTC-00 | SRPP-00 | DS-00 | EAP-00 | EXME-00 |
| | E-00 | FAAE-00 | FBIE-00 | UTED-00 | VC-00 | FRB-00 | H-01 |
| | TEDE-00 | INR-00 | ITC-01 | L-00 | VCE-00 | AC-01 | NSAE-00 |
| | OES-01 | OMB-01 | OPIC-01 | PM-00 | ACE-00 | P-00 | SP-00 |
| | STR-00 | TEST-00 | USIE-00 | FMP-00 | PMB-00 | DSCC-00 | DRL-02 |
| | G-00 | NFAT-00 | SAS-00 | /008W | | | |

-----FC21CD 220451Z /38

FM AMEMBASSY HANOI
TO SECSTATE WASHDC 3187
INFO DEPTTREAS WASHDC
USDOC WASHDC
USDA WASHDC
ASEAN COLLECTIVE
AMCONSUL HO CHI MINH CITY

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SIPDIS

STATE FOR EB/IFD/ODF, EB/IFD/OMA, EB/TPP, EAP/EP, EAP/BCLTV
STATE PASS USAID/ANE AFERRERA AND DMCCCLUSKEY
STATE PASS USTR
TREASURY FOR OASIA
USDOC FOR 4431/MAC/OKSA/HPPHO
USDA FOR FAS/ITP/SCHIKH/HUYNH
PHNOM PENH FOR USAID LCHILES
MANILA PASS USADB

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SENSITIVE

E.O. 12958: N/A

TAGS: [BAID](#) [ECON](#) [EFIN](#) [ETRD](#) [EAGR](#) [PREL](#) [VM](#) [SOE](#) [FINREF](#) [CVR](#)

SUBJECT: DONOR/GOVERNMENT DISCUSSION OF VIETNAM'S 10 YEAR SOCIO-ECONOMIC DEVELOPMENT STRATEGY

1. (SBU) SUMMARY: ON JUNE 14, KICKING OFF A SERIES OF DONOR-GOVERNMENT CONSULTATIONS, UNDP SPONSORED A 'HIGH-LEVEL' CONFERENCE TO DISCUSS ONE OF THE CENTRAL DOCUMENTS APPROVED BY VIETNAM'S COMMUNIST PARTY DURING THE NINTH PARTY CONGRESS CONCLUDED IN APRIL. THE DOCUMENT, 'THE 10 YEAR SOCIO-ECONOMIC DEVELOPMENT STRATEGY', IN MANY WAYS MORE A POLITICAL STATEMENT THAN A MODERN ECONOMIC STRATEGY, NONETHELESS HELPS SET THE STAGE FOR THE COMING PERIOD. UNFORTUNATELY, WHILE IT ACKNOWLEDGES THE ROLE OF THE PRIVATE SECTOR - BOTH DOMESTIC AND FOREIGN-INVESTED - IT ALSO PANDERS TO THE STATE SECTOR. THE PAPER RATHER PERFUNCTORILY NOTES THE MANY COMMITMENTS TO INTERNATIONAL INTEGRATION THE GVN HAS IN RECENT YEARS SIGNED ONTO, INCLUDING AFTA AND THE U.S.-VIETNAM BILATERAL TRADE AGREEMENT. IT ALSO MENTIONS THE GOAL OF 'EVENTUAL' ACCESSION TO THE WTO. DONORS APPRECIATED THE OPPORTUNITY TO DISCUSS THE DOCUMENT AND PROVIDE THE GOVERNMENT WITH SUGGESTIONS FOR CARRYING OUT THE MEANINGFUL ELEMENTS OF THE STRATEGY.

12. (SBU) SUMMARY CONT'D: AMBASSADOR PETERSON CRITICIZED THE VESTIGIAL PLANNING NATURE INHERENT IN THE DOCUMENT AND HIGHLIGHTED THE IMPORTANCE OF THE PRIVATE SECTOR IN JOB CREATION. HE ALSO URGED THE GVN TO REASSESS THE CONCEPT

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ARTICULATED IN THE STRATEGY OF THE STATE SECTOR 'LEADING' OR 'DOMINATING' A CONSIDERABLE NUMBER OF 'STRATEGIC' INDUSTRIES. HIS COMMENTS TURNED THE STAID CONFERENCE INTO A SIGNIFICANT DEBATE REGARDING VIETNAM'S FUTURE. OTHER COMMENTS INCLUDED A SURPRISE INTERVENTION BY THE CHINESE AMBASSADOR ABOUT THE NEED FOR GREATER COMPETITION IN THE VIETNAMESE ECONOMY, INCLUDING ROBUST PARTICIPATION OF THE PRIVATE SECTOR IN TELECOMMUNICATIONS. SEVERAL DONORS HIGHLIGHTED THE NEED FOR DEVELOPING DEEPER LEGAL INSTITUTIONS AND PROMOTING TRANSPARENCY AND PROCESS IN DEVELOPING LAWS AND REGULATIONS, AS WELL AS THE PERVASIVE NEED FOR PUBLIC ADMINISTRATION REFORM. THE U.S. DELEGATION ALSO UNDERScoreD THE TRANSPARENCY REQUIREMENTS CONTAINED IN THE U.S.-VIETNAM BTA (NOW BEFORE CONGRESS) AND URGED ENFORCEMENT OF LAWS WHERE LAWS EXISTED AS IN THE AREA OF INTELLECTUAL PROPERTY RIGHTS PROTECTION. THE UNDP LEGAL REFORM ADVISER SUGGESTED THE GVN CONSIDER AMENDING ITS CONSTITUTION TO CREATE A 'PROFESSIONAL' NATIONAL LEGISLATURE

IN VIEW OF VIETNAM'S NEED TO INCREASE THE NUMBER AND QUALITY
OF NATIONAL LAWS IN COMING YEARS. END SUMMARY.

13. (SBU) IN AN 'OFF-THE-RECORD' MEETING ON JUNE 14, DONORS
AND THE GOVERNMENT MET IN HANOI TO DISCUSS VIETNAM'S 10 YEAR
SOCIO-ECONOMIC DEVELOPMENT STRATEGY (2001-2010), THE FIVE-
YEAR SOCIO-ECONOMIC DEVELOPMENT PLAN (2001-2005), AND A
STRATEGY FOR PUBLIC ADMINISTRATIVE REFORM FOR THE PERIOD
2001-2010. (COPIES OF THESE DOCUMENTS WILL BE POUCHED TO
EAP/BCLTV.) FIRST DEPUTY PRIME MINISTER NGUYEN TAN DUNG AND
MINISTER OF PLANNING AND INVESTMENT TRAN XUAN GIA CHAIRED
THE SESSIONS FOR THE GOVERNMENT AND MANY OTHER SENIOR
VIETNAMESE ECONOMIC OFFICIALS ALSO PARTICIPATED.

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AMBASSADORS OF DONOR COUNTRIES AND RESIDENT REPRESENTATIVES
OF IFI'S WERE INVITED TO THIS 'HIGH-LEVEL' EVENT. IN
ADDITION TO AMBASSADOR PETERSON, ECONCOUNS DRY AND USAID-
HANOI OFFICE DIRECTOR GILSON REPRESENTED THE U.S.

14. (SBU) THE GVN STATEMENTS ABOUT THE 10 YEAR SOCIO-
ECONOMIC DEVELOPMENT STRATEGY